

IN THE
Supreme Court of the United States

OCTOBER TERM, 1942

No.

JAMES HEDDON'S SONS,

Petitioner,

vs.

MILLSITE STEEL & WIRE WORKS, INC.

Respondent.

BRIEF ON BEHALF OF PETITIONER.

*To the Honorable Chief Justice and Associate Justices of
the Supreme Court of the United States:*

Opinions Delivered in the Courts Below.

The opinion of the District Court is reported in 47
P. Q. 106.

The opinion of the Circuit Court of Appeals is reported
in 53 P. Q. 579.

Concise Statement of Jurisdictional Grounds.

The jurisdiction of this Court is invoked on the ground that the respondent is charged with infringing Petitioner's registered trade-mark and the remedies sought are those provided in the Trade-mark Act of 1905 (U. S. C. title 15, Sec. 81 *et seq.*)

Concise Statement of the Case.

Respondent is charged with infringing Petitioner's trade-mark identifying Heddon baits, which consists of a narrow red stripe applied along the edges of boxes in which the baits are shipped and sold, by placing on the market an imitation of the Heddon bait which is indistinguishable therefrom and enclosing it in a red-edged box closely simulating the Heddon box, so that confusing similarity resides both in the goods themselves and in the trade-marks under which they are sold. A more detailed statement of the matters involved appears in the body of the petition.

Assigned Errors.

1. Both Courts erred in holding that the narrow red stripe applied along the edges of boxes for Heddon baits and long used by Petitioner as an indication of origin, was not a proper subject for exclusive appropriation as a trade-mark for fish baits.

2. The Appeal Court erred in holding that although Heddon's red-edged box possesses the basic attributes of a trade-mark, in that it displays a *distinctive external appearance and serves to identify the goods contained therein*, it is nevertheless not proper subject for a trade-mark and cannot be exclusively appropriated.

3. Both Courts erred in holding that Heddon's trade-mark registration was invalid.

4. Both Courts erred in declining to ascribe an improper motive for Millsite's adoption of a box having red edges, a feature long publicized by Heddon as an exclusive indicia of origin and genuineness of the baits therein contained, and in not finding that Millsite's adoption of the red-edged box was in furtherance of an effort to trade on Heddon's name and reputation.

5. Both Courts erred in holding that Millsite should be permitted to sell baits which in themselves were confusingly and unnecessarily similar in appearance to the Heddon baits, and in permitting Millsite to enhance the likelihood of confusion by shipping them in boxes which bore a close simulation of Heddon's registered trade-mark.

ARGUMENT.

Jurisdiction of the Supreme Court.

The Trade-mark Act of February 20, 1905 (U. S. C. title 15, Sec. 81, *et seq.*) expressly points out the nature of the rights and remedies acquired by the Federal registration of a trade-mark. Section 16 of this Act contains the following:

“That the registration of a trade-mark under the provisions of this act shall be prima facie evidence of ownership. Any person who shall, without the consent of the owner thereof, reproduce, counterfeit, copy, or colorably imitate any such trade-mark and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers, or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration, and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several States, * * * shall be liable to an action for damages therefor at the suit of the owner thereof; and whenever in any such action a verdict is rendered for the plaintiff, the Court may enter judgment therein for any sum above the amount found by the verdict as the actual damages, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs.”

Section 17 provides that the various Federal Courts shall have original and appellate jurisdiction

“of all suits at law or in equity respecting trade-marks registered in accordance with the provisions of this

act, arising under the present act, without regard to the amount in controversy.”

Section 18 specifies that writs of certiorari may be granted by the Supreme Court of the United States.

Section 19 provides that the Court shall have the power to grant injunctions, and to assess profits as well as damages and to increase the damages at its discretion, and also provides that the plaintiff shall be required to prove defendant's sales only.

It is proper to point out that these sections define the nature of a trade-mark, and provide special statutory remedies not available at common law, and throughout indicate that when a trade-mark has been registered as an instrument employed in inter-state commerce, it becomes a subject of Federal protection, and the extent of the rights granted and the remedies afforded are not to be determined by local law in conformity with the rulings of this Court in the celebrated case of *Erie R. R. Co. v. Tompkins* (304 U. S. 64).

Although it has been recently (March 30, 1942) decided by this Court in *Pecheur Lozenge Co. v. National Candy Co.* (53 P. Q. 11) that in cases of unfair competition and common law trade-marks the local law applies, it was also held by the Court of Appeals for the 7th Circuit in the very recent (June 15, 1942) case of *Time, Inc. v. Viobin Corp.* (54 P. Q. 13, 15) as follows:

“On the other hand, we are of the opinion that trade-mark infringement, in view of the Federal Statute providing for registration, presents an exception to the doctrine of *Erie v. Tompkins*, 304 U. S. 64, and is to be determined by general Federal law.”

In view of the fact that trade-marks employed on goods sold in inter-state commerce are to be regarded as instrumentalities appurtenant to such sales, and in view of the fact that inter-state commerce is one of the subjects exclusively within Federal jurisdiction, no adequate reason is perceived for doubting the correctness of the above ruling to the effect that the rights and remedies provided under Federal registration are enforceable in conformity with Federal law rather than local law, and that in the present case the rights and remedies provided in the trade-mark law of 1905 involve a proper exercise of constitutional powers.

Judicial Treatment of Color Trade-marks.

In "Trade-Mark Protection and Unfair Trading" (Derenberg, 1936) it has been aptly noted (p. 293) that there are

"three groups of devices, namely, colour, numerals, and letters, which, under the common law and under the statute, give rise to much perplexity as to their merits as technical trade-marks. *The practice of the Patent Office and the decisions of the courts have been, due to the absence of any statutory provision, far from uniform.*"

Such are the unsatisfactory conditions which at present surround color trade-marks—the category in which Petitioner's mark belongs.

In some respects a color mark is unique. Unlike a word or picture, it is meaningless. Also the range of available colors is very limited—another point of distinction. In addition, colors may at times serve functional and decorative purposes. For reasons such as these it is customary to subject colors claimed as a trade-mark to rigorous scrutiny. The necessity of so doing was forcefully pointed out

by this Court in *Leschen Rope Co. v. Broderick* (201 U. S. 166), to which repeated reference will be made in this Petition.

The admonitions contained in the *Leschen-Broderick* decision have not since been amplified or particularized by this Court. In the ensuing thirty-six years this case has furnished the principal guidepost by which the Federal Courts and Patent Office officials have sought to construe trade-marks having as their essential feature the attribute of one or more colors. It is plain, however, that as to certain phases of color trade-marks there is still much confusion and uncertainty. The various judicial decisions handed down since 1906, many of them inconsistent or irreconcilable with each other, indicate this to be indisputably the fact. Let us review some of these rather illogical holdings so that the present unsatisfactory state of affairs may be apparent.

In the *Leschen-Broderick* case (201 U. S. 166) this Court ruled that *mere* color is "too indefinite to be the subject of a valid trade-mark," adding that "it should be so defined, or connected with some symbol or design, that other manufacturers may know what they may safely do." (p. 171). As an example of what might constitute a valid trade-mark, this Court suggested "a particular design, as a circle, square, triangle, a cross, or a star." This language has been referred to repeatedly in the succeeding years by many courts as authority for sustaining or striking down trade-marks, often with seemingly contrary interpretations. Never since this Court gave expression in 1906 to what is requisite for a valid color trade-mark has the meager instruction set forth in the *Leschen-Broderick* case been amplified. The courts and public generally stand now to benefit by further particulars as to what may, and may not, constitute a valid trade-mark where color is the primary factor.

As one example of construction of a color mark we are told that a gray band around the top of a boot is *not* a valid trade-mark (*L. Candee & Co. v. Hood Rubber Co.*, 7 T. M. Rep. 401), yet a golden stripe near the top of a stocking is apparently *proper* subject for registration (*Gotham Silk Hosiery Co. v. Van Raalte Co.*, 15 T. M. Rep. 266). Also a blue grip on the handle of an egg beater has been ruled to be *non-registrable* as a trade-mark (*Turner & Seymour Mfg. Co. v. A. & J. Manufacturing Co.*, 16 T. M. Rep. 591), although green tips applied to the ends of kitchen and household utensils have been *approved for registration* (*A. & J. Manufacturing Co. v. Wallace and Sons Manufacturing Co.*, 19 T. M. Rep. 207). In these two sets of cases it is difficult, if not impossible, to reconcile the reasoning which accounts for the opposite results. The blue color for the handle tip of an egg beater was denied registration in view of this Court's admonition in the *Leschen-Broderick* case that a trade-mark to be valid should be "impressed in a particular design, as a circle, square, triangle, a cross, or a "star", the Patent Commissioner then concluding that the mark in question was not such a "particular design." On the other hand this Court has recently given effect to a registered trade-mark "consisting of a red circular plug embedded in the center of a heel" (*Mishawaka Rubber & Woolen Mfg. Co. v. S. S. Kresge Co.*, 86 L. Ed. 957), in a decision which sets forth the basis on which an accounting should proceed against an infringer. So we have a colored band here upheld, a colored band there stricken down, a blue handle grip somewhere denied, a red circular plug sustained by this Court, etc.—all tending to bewilder and confuse those who seek some authoritative guidance.

The Heddon trade-mark now before this Court is one of many in the color class in respect to which the judicial

expressions leave much to be desired. For example, in 1905, Judge Kohlsaas ruled in *Leschen v. Macomber & Whyte* (142 Fed. 289), that a trade-mark "for a red or other distinctively colored streak applied to or woven in a wire rope" is invalid. The vice of the mark in that case was the plaintiff's failure to confine the trade mark to a single color, and the Court's holding in respect thereto was plainly confirmed by the ruling of this Court, a year later, in the *Leschen-Broderick* case. However, in a case involving a red color applied to a band of metal encompassing the upper part of a broom and forming a structural feature thereof, the Commissioner of Patents held that this was not a good trade-mark (*Indianapolis Brush and Broom Mfg. Co. v. Joseph Lang Co.*, 2 T. M. Rep. 386). Resting his decision on the *Leschen-Broderick* case, the Commissioner there stated that no one can have a trade-mark in a mere color. In so holding, it was necessary to ignore the fact that the mark was a specified color applied as a particular design, i.e., in the form of a circular band in the upper part of a broom. The Commissioner justified his action on the broader ground that the functional characteristics of the mark predominated.

The instruction contained in this Court's decision in the *Leschen-Broderick* case was later construed by the Commissioner of Patents as warranting the registration of a trade-mark consisting of a blue fibrous core incorporated into a wire rope (*ex parte Durable Wire Rope Co.*, 6 T. M. Rep. 241). Here the Commissioner referred to the general rule that color does not constitute a trade-mark, but stated that it did not apply in the case then before him in which color was used in a distinctive manner. In consonance with this ruling he also ordered registration to be granted for a "red band useful in the sale of goods to which it is applied," presumably made of rubber (*ex parte*

The B. F. Goodrich Company, 6 T. M. Rep. 597). In thus deciding the Commissioner commented that he knew of no reason why a mark of this character could not be a proper trade-mark. This observation, standing alone, is dangerously broad, and should have been properly qualified to furnish a true guide.

In 1918 the Commissioner held, on appeal, that a trade mark for dolls, consisting of a purple and gold band across the shoulder, was registrable inasmuch as it was established by affidavits that the mark in question is recognized by the trade as indicative of dolls made by the applicant (*ex parte E. I. Horsman Co.*, 8 T. M. Rep. 463). Also, about the same time, the Commissioner of Patents ordered registration in the case of a red band around the top of a fence post, it being established to his satisfaction that the color so applied had function as a trade-mark (*ex parte Chicago Steel Post Co.*, 8 T. M. Rep. 463). According to the decision in *Gotham Silk Hosiery Co. v. Van Raalte Co.* (16 T. M. Rep. 239), a golden stripe near the top of a stocking had been registered. In *Weil-McLain Company v. American Radiator Company* (6 P. Q. 89), the Commissioner pointed out that a registration might be granted for a red band applied to a boiler, but thus cautioned (p. 91):

"The broad red band approaches somewhat the limits to which registration may be granted for an article having a portion a certain color. It is common enough to permit registration of a mark on goods comprising a relatively narrow strip, ring, or band of a definite color, but as the band is widened it may reach such an extent as to become merely a coloring of substantially the whole of the goods under which condition it is not registrable as a trade mark.

"Between these extremes lies a twilight zone where it may be difficult to determine when the ring or strip ceases to be such and becomes merely a coloring of

a substantial portion of the article. Each case must be decided upon the facts there presented. In the case at bar it is believed the applicant is entitled to registration if it makes a suitable disclaimer of the representation of the goods."

In *Smith, Kline & French Co. v. American Druggists Syndicate* (11 T. M. Rep. 327, C. C. A. 2nd) the Court passed upon a registered trade-mark which consisted mainly of a red band extending across the face of a box, observing that:

"The registered trade-mark which the appellee possesses must be limited to the specific design shown. The mere color may be impressed in a particular design and constitute a valid trade-mark, such as a circle, square, triangle, cross, or star,"

citing the *Leschen-Broderick* decision. The Court's finding here is interesting because it indicates that a red band extending across a box is to be considered as the impression of a color in a particular design such as this Court indicated in 1906 might well support the validity of a trade-mark. In this holding, the Court was obviously in agreement with the views of the Patent Commissioner who had stated in *Weil-McLain v. American Radiator, supra*, that "It is common enough to permit registration of a mark on goods comprising a relatively narrow strip," etc.

It is illuminating also to note what has been the practice of the Patent Office over an extended period in the granting of registrations of color trade-marks. As appears from the Commissioner's repeated rulings, the *Leschen-Broderick* case (201 U. S. 166), has furnished the principal guidepost by which to determine what is, and what is not, valid in the way of color trade-marks. Following are a few of the many color trade-marks, for goods as designated, for which

registrations have been granted (the quoted language in each case being the exact description that appears in these several registrations):

- No. 73,005—Mar. 9, 1909—Canned and Evaporated Fruits, "the central panel and upper and lower edges appearing *silver* and the bands being *blue*."
- No. 77,539—Apr. 19, 1910—Smoked Chipped Beef, "the central vertical band is *red*."
- No. 85,344—Feb. 13, 1912—Casks and Barrels, "*black* bands about the barrel."
- No. 86,528—May 14, 1912—Casks and Barrels, "*blue* bands about the barrel."
- No. 86,529—May 14, 1912—Casks and Barrels, "*red* bands about the barrel."
- No. 86,530—May 14, 1912—Casks and Barrels, "*green* bands about the barrel."
- No. 91,572—May 13, 1913—Casks and Barrels, "*yellow* bands about the container."
- No. 91,573—May 13, 1913—Casks and Barrels, "*white* bands about the container."
- No. 91,574—May 13, 1913—Casks and Barrels, "*brown* bands about the container."
- No. 102,732—Feb. 23, 1915—Vegetable Extract, "a *red* band crossing the labels or wrappers or containers for the goods."
- No. 114,058—Nov. 21, 1916—Self-Raising Flour, "a *red* band or stripe located at the top and bottom of each of the panels of the carton in which the flour is sold."
- No. 118,932—Oct. 9, 1917—Pails and Bags, "two *blue* bars and one *white* bar of equal width, the white bar being between the two blue bars."

- No. 125,547—May 20, 1919—Leads for Mechanical Pencils, “a lead the end of which is colored *red*.”
- No. 165,074—Mar. 6, 1923—Sheet Metal Tanks, “a *red* band extending around the tank adjacent the bottom thereof.”
- No. 165,419—Mar. 6, 1923—Leads for Mechanical Pencils, “a label or container having a *red* border at its top.”
- No. 172,803—Sept. 11, 1923—Detector Crystals for Wireless Receiving Sets, “arbitrarily coloring the cover and side walls of the crystal container *red*, leaving the rim and bottom in natural color.”
- No. 176,596—Nov. 27, 1923—Wooden Hampers, “The band encircling the hamper illustrated in the drawing is in practice colored *red*.”
- No. 179,244—Feb. 5, 1924—Shipping Drums, “spaced apart *gold* colored bands encircling the drum.”
- No. 179,245—Feb. 5, 1924—Shipping Drums, “spaced apart *red* bands encircling the drum.”
- No. 179,801—Feb. 19, 1924—Portable Container for Gas, “a *blue* band encircling the body of the container which is otherwise of gray color, the blue band being usually nearer one end of the container.”
- No. 183,808—May 6, 1924—Belt Fasteners, “coloring the top and two ends of the box, container, or package, *buff*, and the two opposite sides dark *green*.”
- No. 196,926—Mar. 3, 1925—Wire Fence, “a *green* band or green colored portion at the top of the fencing.”

- No. 198,719—May 26, 1925—Sweet Pickled Figs, "*red* color as applied to the hoops and head of the barrel."
- No. 208,659—Feb. 9, 1926—Coffees, Teas, Spices, etc., "parallel *black* bands or stripes with narrower *gold* stripes at the edges thereof."
- No. 224,339—Feb. 22, 1927—Paper Cans, "a band of *blue* carried by the flange of the cover for said can."
- No. 227,022—Apr. 26, 1927—Toilet Paper and Paper Towels, "arbitrarily coloring *orange* the inside surface of the hollow core upon which the goods are wound."
- No. 228,037—May 24, 1927—Paper Cans, "a band of *red* carried by the flange of the cover of the can."
- No. 228,071—May 24, 1927—Paper Cans, "a band of *gray* carried by the flange of the cover of the can."
- No. 257,034—May 28, 1929—Boxes, Baskets and Hampers, "a *yellow* band extending around the upper marginal portion of the container."
- No. 257,035—May 28, 1929—Boxes, Baskets and Hampers, "an *orange* band extending around the upper marginal portion of the container."
- No. 257,036—May 28, 1929—Boxes, Baskets and Hampers, "a *blue* band extending around the upper marginal portion of the container."
- No. 257,037—May 28, 1929—Boxes, Baskets and Hampers, "a *green* band extending around the upper marginal portion of the container."
- No. 257,038—May 28, 1929—Boxes, Baskets and Hampers, "a *red* band extending around the upper marginal portion of the container."

- No. 259,735—Aug. 6, 1929—Boxes, Baskets and Hampers, “a *violet* band extending around the upper marginal portion of the container.”
- No. 259,736—Aug. 6, 1929—Boxes, Baskets and Hampers, “an *indigo blue* band extending around the upper marginal portion of the container.”
- No. 262,151—Oct. 1, 1929—Wheat Flour, “several circumferentially disposed bands of *blue* color applied to a flour barrel.”
- No. 286,504—Sept. 1, 1931—Ornamental Fencing, “a *green* band or green colored portion at or near the bottom of the fencing.”
- No. 293,165—Apr. 12, 1932—Toilet Paper and Paper Towels, “consists of the *purple* lining of a hollow core, the core itself being disclaimed, and it is applied by coloring purple the inside surface of said core.”
- No. 296,610—Aug. 16, 1932—Chewing Gum, “in the form of a narrow band, strip or ribbon-like member of a *red* color encircling each individual package of chewing gum adjacent one end.”
- No. 297,315—Sept. 13, 1932—Calcium Carbide, “the characteristic design in color contrast extending continuously around the cylindrical side of the can, the belt being *orange* and the remainder of the surface being red.”
- No. 309,944—Feb. 6, 1934—Paper Cans for Ice Cream, “a narrow *blue* stripe extending peripherally around the flange of the cover of the receptacle midway of the width thereof and presenting a definite contrast in color with that of the remainder of the flange.”
- No. 313,921—June 12, 1934—Spools for Thread and Yarn, “two bands color *red* and *white*, on the outer edge of the ends of the spool, and composed of red and white circular plates placed together.”

No. 345,384—Apr. 27, 1937—Fishing Baits, Rods, Hooks, Linens, etc., “a narrow *red* stripe . . . applied to one or more edges of the boxes, bags or containers for the goods.”

this last registration being the one of Heddon's that is here in issue.

A presumption of validity attaches to all these trademark registrations in which various color marks have been claimed. The same is true of the Heddon registration (presently to be discussed in detail), but now stricken down as invalid. What essential element is it that makes one good and another bad? In every one of these cases it is to be presumed that the proprietor *thought* he had a valid trade-mark and that the Patent Office *thought so too*, otherwise no registration would have been given. In every case also the proprietor has been encouraged to believe that his registration would be respected, because presumptively valid, and that, if need be, the Courts would uphold his rights as claimed therein. It is therefore plain that, in administering the Federal registration law, manufacturers and traders have been encouraged to adopt, feature, and seek to enforce, trade-marks having as an essential element a specific color, displayed perhaps in a particular design and location. But the harsh treatment dealt the Heddon registration has now created a doubt as to what is permissible and what is not. Unless some authoritative guidance be furnished at this time, this state of confusion and uncertainty, long existing as to the status of property rights in and to color trade-marks, may continue on indefinitely into the future. In the public interest such a condition is to be avoided, and in all likelihood will be if this Court now takes cognizance of the present unsatisfactory situation and issues a pronouncement that will serve as a guidepost for all concerned.

These are only a few of the adjudicated cases and registrations in which the Courts and the Patent Office as well have been called upon to decide whether the submitted color trade-marks were in fact "impressed in a particular design, as a circle, square, triangle, a cross, or a star," etc. One point stands out as certain, however, viz., "it is common enough to permit registration of a mark on goods comprising a relatively narrow strip, ring or band of a definite color," as stated by the Commissioner in his *Weil-McLain—American Radiator* decision, *supra*. In addition to those instances already cited we may profitably refer to *Gandy Belting Co. v. Victor-Balata Co.* (215 Fed. 795) where the plaintiff's registration described the mark as consisting "of a green line or stripe arbitrarily applied to one edge of the belt," and to *Lufkin Rule Co. v. Master Rule Co.* (5 P. Q. 515) where the opposer's registration described the mark as consisting "in coloring red the end faces of the sections of the folding rule." Also bordered cards for mounting snap fasteners, having an orange face with a black and white circular border in its center, were held to be registrable in *ex parte Wilson Fastener Co.* (34 P. Q. 35), and likewise a purple disk centrally placed upon a phonograph record (*ex parte Victor Talking Machine Co.*, 4 T. M. Rep. 128). A rather extreme case is *ex parte David Charles Meehan* (6 T. M. Rep. 388) wherein the Commissioner of Patents ordered registration of a trade-mark consisting of "a strip of light contrasting color affixed to the edge of a door." In line with these practices, both a blue core in a wire rope (*ex parte Durable Wire Rope Co.*, 6 T. M. Rep. 241) and a lineal purple marker located in the interior of a rope (*Columbian Rope Co. v. Hoover & Allison Co.*, 316 O. G. 703) have been held to be registrable.

Sometimes, as in these last two cases, similar trade-marks, differing *only* in color, have been registered for like

goods. Usually a contrast in colors has been held sufficient to avoid infringement. Also a second comer has often been denied registration of his mark *for a specified color* because a first comer has previously received a registration of a similar mark *for a different color*. The confusion resulting from this state of affairs was noted by the Commissioner of Patents in *A. & J. Mfg. Co. v. Wallace & Sons Mfg. Co.* (1 P. Q. 261), where, on an appeal from a ruling which had sustained an opposer whose registered mark was for blue color applied to the tips of kitchen tools, etc., against registration of a green color similarly applied to like goods, the Commissioner, in reversing, thus commented (p. 262):

“The examiner sustained the opposition largely upon the holding of the Court of Appeals in the case *In re Eagle Pencil Company*, 185 O. G. 1383, 39 App. D. C. 361, and the previously adjudicated case cited in that decision, *Leschen & Sons Rope Co. v. Broderick & Bascom Co.*, 164 O. G. 977, 36 App. D. C. 451. These cases considered alone would seem to be persuasive of the correctness of the examiner’s holding but it is thought other adjudicated cases, some of which were before the Court of Appeals, D. C., should be reviewed.

“In the case of *Turner & Seymour Mfg. Co. v. A. & J. Mfg. Co., et al.*, 20 F. (2d) 298, the Circuit Court of Appeals, Second Circuit, in reversing the lower court and holding there was no infringement of the mark ‘Blue Whirl’ by the opposer’s ‘Blue Tip’ used upon the same class of utensils stated:

“‘Mere color cannot be appropriated, as plaintiff attempts to do, and has succeeded in doing below.’

“The Court further noted that the word ‘blue’ used by both plaintiff and defendants was common property and commonly used by manufacturers of kitchen

utensils, and then quoted with approval a prior holding by another Court that:

“‘It is a well-settled general rule of law that a trader may not monopolize a particular color, and that color alone, unaccompanied by any distinguishing sign, seal, or symbol, is not sufficient to constitute a trade-mark.’

“‘In the case of *California Packing Corporation v. Halferty*, 320 O. G. 700, 54 App. D. C. 88, the Court held the mark ‘White Band,’ accompanied by a band of white extending from one end to the other of the label, not deceptively similar to the words ‘Gold Bar’ with a representation of such a bar on a distinguishing background, or to the words ‘Silver Bar,’ likewise used in conjunction with a silver band upon a distinguishing background, but in that case the goods were not identical, although the court held that they belonged to the same class and had the same descriptive properties.

“‘In the case of *Plough Chemical Company v. Isadore Bullion*, 336 O. G. 256, 55 App. D. C. 294, the Court held the trade-mark ‘Black and White’ not deceptively similar to the mark ‘Red and White’ when used upon the same goods. The Court found that the respective terms ‘suggest contrast rather than identity.’

“‘In the *A. Leschen & Sons Rope Co. v. Fuller, et al.*, 218 F. 786, Circuit Court of Appeals, Eighth Circuit, it was held that the Leschen Company sought to monopolize the use not of one, but of all colors to make its rope, and the Court noted that if the mark disclosed ‘is a valid trade-mark, it is so because, and only because, it is limited to a red stripe or strand, and that limitation permits the use by others of wire ropes with strands of other colors, and the defendants do not infringe that trade-mark because they use a yellow strand.’

“In the case of *Dodge Mfg. Co. v. Sewall & Day Cordage Co.*, 142 F. 288, Circuit Court, D. Massachusetts, it was held that there was no conflict between a blue thread twisted into rope and a red thread likewise employed as a mark for the same goods.

“In another case, *Gandy Belting Co. of Baltimore City v. Victor-Balata & Textile Belting Co.*, 215 F. 795, District Court, E. D. Pennsylvania, the court noted that ‘the plaintiff claimed proprietary right to a green color applied to one edge of the belting while the defendant colored both edges a brilliant black, and stated:

“ ‘A claim of monopoly of right, either at common law or under the trade-mark statutes, in the privilege or practice of making the edges of the belting of any color is certainly too broad.’ ”

Although in the case last noted the Commissioner found reasons which to his mind justified a registration of green color applied to the free ends of kitchen and household tools, over the protest of an earlier registrant whose mark was blue color applied in the same way to similar goods, and the U. S. Court of Customs and Patent Appeals ruled similarly in *Lufkin Rule Co. v. Master Rule Mfg. Co.*, (5 P. Q. 515), an opposite conclusion was later reached by the Court of Customs and Patent Appeals in *Leschen & Sons Rope Co. v. American Steel & Wire Co.* (12 P. Q. 272), where the court held that a trade-mark registration consisting of a red strand incorporated in a rope stands as a barrier to another’s registration of a silver strand woven in a rope. The practice established in this last case has been adhered to rather consistently ever since.

This state of confusion has seriously embarrassed the courts and others who have sought from time to time to apply to various fact situations the true rule that should govern. The case that is most authoritative and most often

consulted is that of *Leschen v. Broderick*, *supra*, decided by this Court in 1906. Commenting upon that decision, Derenberg in his able treatise on Trade-Mark Protection etc., has thus expressed his views (pp. 294-295):

“ . . . The Supreme Court maintained that registration of the red strand alone was perhaps permissible, but that to apply for trade-mark registration for all colours by which the cord or rope might be distinguished, was not permissible.

“ ‘Even if it were conceded that a person might claim a wire rope coloured red or white, or any other colour, it would clearly be too broad to embrace all colours; * * * and a trade-mark which may be infringed by a streak of any colour, however applied, is manifestly too broad.’ (*Leschen v. Broderick*, 201 U. S. 166.)

“The Court added that it was doubtful whether mere colour could constitute a technical mark. It conceded that this might be possible if the colour to be protected was used in a particular form, as for example, a star, cross, triangle, etc. *The main issue, unfortunately, remained undecided* for the reason that such a far-reaching monopoly as the plaintiff claimed could by no means be granted even if the colour might otherwise merit, to a certain extent, trade-mark protection. Apparently acting upon this decision, plaintiff succeeded in obtaining trade-mark registration for the red stripe alone. When the plaintiff later instituted opposition proceedings against competitors who applied for registration, one for a yellow and one for a blue stripe to be used on the same goods, the Court of Appeals of the District of Columbia, reversing the decision of the Commissioner of Patents, decided that registration of the yellow and blue stripes should be refused the competitors. Nobody, the Court said, could appropriate another's trade-mark merely by changing its colour. This appears to be a *petitio principii* and is virtually an outright grant to the plaintiff of a trade-mark right in all coloured stripes for rope and cord.

For this reason, the federal court which subsequently had to pass on this question, decided to the contrary.

"An Assistant Commissioner rendered a similar decision in *Waterbury Sons Co. v. John Roebling's Co.* (17 T. M. Rep. 342). Here the possibility of colour as a trade-mark was broached with the utmost caution.

" 'If that (the stripe) is a valid trade-mark it is so because, and only because, it is limited to a red stripe or strand, and that limitation permits the use by others of wire-ropes with streaks of other colours, and the defendants do not infringe that trade-mark because they use a yellow strand.'

"Similar decisions have been rendered concerning coloured stripes on pencils. Consequently, it appears to be settled that a trade-mark right may exist provided it is limited to a particular colour, regardless of whether it is used in a definite form or shape."

After touching upon cases in which colors had some attribute of functionality, ornamentation, etc., and were denied registration on these grounds, Derenberg has thus summed up the situation in this language (pp. 299-301):

"In brief, *the question of to what extent, if at all, colour is registerable, and capable of exclusive appropriation as a trade-mark, has not yet been definitely settled.* How much uncertainty still lingers is evidenced by a glance at the latest of the numerous *Leschen* cases which came before the Court of Customs and Patent Appeals in 1932. Here registration of a mark was applied for, consisting of a silver strand incorporated in a wire rope. The application stated that 'no claim is made herein for registration of the wire rope.' Registration was opposed by the owner of the red streak which had been the object of so much dispute before. The opposer urged that his rope had become widely known as 'coloured strand wire rope' and had acquired a secondary meaning. The Court of Customs and Patent Appeals, first of all, pointed out

that the Supreme Court's *dictum* that a definite coloured strand might be the subject matter of a valid trade-mark was not controlling, since the silver strand trade-mark had not been before the Supreme Court on that occasion. Nor was the decision of the Court of Appeals of the District of Columbia in *A. Leschen & Sons Rope Co. v. American Steel & Wire Co. res adjudicata*, for although the parties were the same, the trade-marks were different. Deciding the question *de novo*, the Court of Customs and Patent Appeals expressed the now well-established rule that in an opposition proceedings the validity of the opposer's trade-mark will not be considered. The court then decided:

“ ‘The weight of authority is to the effect that a mark is not registerable if colour alone is its distinguishing characteristic. * * *

“ * * * It seems clear that before one trade-mark can be registered over the opposition of the owner of another for use on goods of the same descriptive properties, the applicant's mark must show dissimilarity other than colour.’

“The court assumed that confusion would inevitably arise if registration of the silver strand mark were granted, and sustained the opposition.

“In view of such ambiguity, it is not surprising that in the great majority of cases, use of the same colour has been enjoined by the courts as ‘passing off,’ while there have been comparatively few cases in which the prevention of the imitation of colour was sought on the ground of trade-mark infringement.”

That an unsatisfactory condition of uncertainty still exists is plain from Derenberg's observation that “the question of to what extent, if at all, colour is registrable, and capable of exclusive appropriation as a trade-mark, has not yet been definitely settled.” It goes without

saying that clarification of the law pertaining to registration and enforcement of trade-marks, having colors as their principal distinguishing features, would greatly benefit the courts and public. The case at bar presents an opportunity to do so which we trust will be availed of by this Court.

The Heddon Color Trade-mark.

In 1922 Heddon commenced the use of its so-called Red Edge trade-mark. This was registered in 1937 as No. 345,384 (see Heddon Ex. 153, R.(2)10), and infringement thereof was one of the issues in the Court below. This mark was described in the registration as consisting

“of a narrow red stripe,” and “is applied to one or more edges of the boxes, bags or containers for the goods, or to labels affixed thereto, by printing with red ink, stitching with red thread, or binding with red tape, along one or more edges thereof”

and it was claimed for various items of fishing tackle, such as artificial baits, rods, lines, stringers, hooks, etc.

There are several essentials to this trade-mark as claimed by Heddon: (1) it is in the form of a *narrow stripe*; (2) it is *red* in color; (3) it is applied *along one or more edges* of the containers; and (4) the trade-mark of this description is claimed only for certain specified *items of fishing tackle*. These several requirements, each a limitation in itself, must be taken into account in any analysis or appraisal of this trade-mark.

The trial court's comments (R. 623) indicate a rather general, not a detailed, consideration of the mark, for Judge Tuttle thus concluded:

“This trade-mark registration is so broad that it does not attempt to mention anything except the color

of which the line is made, namely, red. It does not state whether the background on which the red line is put is white, black, yellow, green, or any other color, and whether that red line is long or short, or on one side or many sides. The trade-mark registration seeks to cover all kinds of articles in the fishing tackle line, regardless of whether the red line be placed on a box or a tag, or on the article itself.

It seeks to obtain too much. There are only seven primary colors. These colors have been used ever since man first noticed the rainbow. Lines are common things, and people have long been using red lines and every other colored line."

Primarily the Court was "seeing red" when recording these observations. He did not see, for example, that the red line when applied to the illustrated box was in the form of a rectangle (on its top) and of a staple (on its ends and sides), that when applied to the ends of a line spool it was a circle (see Heddon Ex. 153, R.(2)10), and that its use was always to identify Heddon products. The Court's comment that "The trade-mark registration seeks to cover all kinds of articles in the fishing tackle line, regardless of whether the red line be placed on a box or a tag, or on the article itself," reveals an inaccurate perception of the facts, because the Heddon registration specifies with exactness only a certain few items comprised in a line of fishing tackle (not "all kinds of articles" therein) with which the trade mark is used, applied always to the "boxes, bags or containers" therefor, (never to the article itself). In concluding that the registration "seeks to obtain too much" because "there are only seven primary colours," red "lines are common things," etc., the Court obviously misconstrued or ignored the many limitations inherent in this registration, some of which may at this point be profitably enumerated.

Of the seven primary colors Heddon has chosen *red*—this color alone. If this were the only limitation, the objections raised by Judge Tuttle would be well founded. In practice this color is applied always as a *narrow stripe*, and in a *particular location* upon the Heddon boxes, bags and containers, *viz.*, “to one or more of the *edges* thereof.” As an illustration, the registration shows a box having the so-called Red Edge mark displayed as a four-sided figure upon its top, and as a three-sided figure upon its ends and sides.

It is not to be expected that the simple word description furnished in the Heddon registration will support a wide latitude of interpretation. A narrow stripe does not mean a wide band, and application of such a stripe to the box edges does not mean a placement thereof at points spaced from the box edges.

Although Judge Tuttle, by inference, indicated that only a handful of available color marks would be left to others if the Heddon trade-mark were to be sustained, the contrary is plainly the fact. Lines of red may be used to produce countless designs or effects, all differing sharply from Heddon’s trade-mark. For example, a succession of geometrical figures, such a chain whose links are extended along the edges of a bait box would be available; so would a wide band, or a plurality of bands, or a plurality of narrow stripes, extending lengthwise, or diagonally crosswise, of a bait box, possibly to be spaced from its edges depending upon the effect produced; so would a checkered, diamond, or plaid design, applied all over, or along the box edges, or confined to areas inwardly thereof; so would one or more panels in spaced relation to the box edges; so would a prominent display of one or more figures, such as ellipses, triangles, crosses, stars, etc., displayed over

the box faces; and so would a succession of dots, dashes, indulations, or other figures arranged to form broken or sinuous lines disposed variously over the box faces, perhaps even along the edges thereof, depending upon the effect produced. Any of such possible trade-marks, *in red or any other color or combination of colors*, remain available to competitors under the terms of the Heddon registration which, upon close analysis, does not "seek to obtain too much."

In continuing with his observations of a very broad nature, Judge Tuttle referred to *Dennison v. Scharf* (135 Fed. 625) wherein the Sixth Circuit Court of Appeals dealt with a situation involving blank labels with red borders. In such a case the vendible goods involved were the labels themselves—the competing products of the litigants to that suit. By contrast, there is no issue here concerning labels *per se*. A label, if one be used, is only incidental. The court's finding in the *Dennison-Scharf* case that the red bordered label was open to anybody to make is inapposite to the very different fact situation here at bar.

No one prior to Heddon, nor until the Millsite infringement, ever sought regularly and consistently to market fishing tackle items in boxes, bags or containers having the distinguishing feature of "a narrow red stripe * * * applied to one or more edges" thereof so as to present in the case of boxes a display of rectangular figures having three or four sides. In the *Dennison-Scharf* case the principal issue centered around certain numerals claimed to designate red bordered labels of the plaintiff. No claim was advanced for any exclusive rights to labels having red borders, but only to the system of numerals used to indicate sizes, shapes, styles, colors, etc. So far as concerns labels with red borders for general use outside the fishing tackle field, Heddon has no

quarrel with anyone. But in this special field wherein only a few are operating Heddon claims to have acquired exclusive rights to a red edge in the form of a narrow stripe applied to the edges of boxes, bags and containers for certain specified items of fishing tackle. A red bordered label affixed *centrally* to a box or container for a fishing bait will, in consequence, present its red lines *in spaced relation to the box edges* and so not meet the requirements of the Heddon registration.

We have commented at length upon the findings of the trial judge who ignored the plain limitations in the Heddon trade-mark—limitations which amount to a disclaimer. The same error of failing to distinguish, on the one hand, *between boxes* “in the appropriate and usual form in which to package articles for fishermen,” and, on the other hand, *a trade-mark applied to such boxes*, is perhaps responsible for the same error on the part of the Circuit Court of Appeals. In commenting that “The law of trade-marks has not yet gone so far as to enable a party to appropriate such form of package or fashion of label as to exclude all others from their use or from the use of anything resembling them, either separately or in combination” (R. 706), the Appeal Court was wandering beside the issue. The “form of package” and the “fashion of label,” or in fact any label *per se*, has never been questioned by Heddon. And in referring to the Heddon trade-mark as “a colored label,” (R. 706) the Appeal Court has again missed the point. It is not a label that is here in issue, but “a narrow red stripe * * * applied to one or more edges of the boxes, bags or containers” for certain specified goods, the resulting display being rectangular figures of three or four sides which in the trade and public identifies the contained goods as of Heddon manufacture.

That the red-edge mark as used by Heddon is in fact *distinctive* was the view of the Appeal Court for it said (R. 706) that the mark in question "gives a distinctive external appearance to the packages containing appellant's goods." Furthermore, because of this distinctive appearance, the Appeal Court found that the mark "indicates to some of the purchasing public that it contains appellant's goods" (R. 706). Admittedly the mark may not indicate to *all* of the purchasing public that it denotes Heddon goods, but no trader yet has even succeeded in establishing one hundred per cent recognition of his mark. Significantly and most important, the Court did not attempt to say that the distinctive Heddon red-edge mark has ever indicated in any case goods of a manufacturer other than Heddon. In its findings that the mark is distinctive and indicates Heddon's goods "*to some of the purchasing public,*" the Court itself has set forth the primary essentials of a true trade-mark which should require nothing further for its validity.

So we travel back to the primary question, the answer to which is determinative of the issues of validity and infringement of the Heddon "red-edge" trade-mark registration—is it "so defined, or connected with some symbol or design, that other manufacturers may know what they may safely do"?—the point that was stressed by this Court as all important in the *Leschen-Broderick* case, *supra*. As indicative of which might meet this requirement, this Court then suggested "a circle, square, triangle, a cross, or a star."

Heddon has specified in its registration the color and the character of the mark by describing it as "*a narrow red stripe.*" Its location was also made definite in the requirement that it be "applied to one or more edges of the boxes, bags, or containers for the goods," and the result-

ing forms, at least in the case of the illustrated box, are geometrical figures of three or four sides. It is not red color *per se* that Heddon has claimed, but a marking in red "so defined (*i.e.*, in the form of a narrow stripe) or connected with some symbol or design (*i.e.* application along the edges of a container thereby producing rectangular geometrical figures) that other manufacturers may know what they may safely do." And, as already pointed out, there are literally countless marks in red available for adoption by manufacturers of fishing tackle, all of whom may, by consulting the Heddon registration, ascertain "what they may safely do."

The Baits Involved.

In order to establish a charge of trade-mark infringement it is necessary to prove that Millsite has used the mark complained of in connection with goods of the *same descriptive properties*, and the congruency of such proofs will be greatly increased if it be shown that the goods themselves are practically indistinguishable from Heddon's, so that the enclosure thereof within boxes which themselves display a close imitation of Heddon's trade-mark greatly aggravates the first offence, and affords unmistakable evidence of a fraudulent *intent* to trade upon Heddon's reputation and divert its trade by deceiving the public respecting the origin of the goods.

We state as a self-evident proposition of law that in cases where the goods themselves are of similar form, shape, and appearance (and whether or not legitimate trade practice requires such similarity which in the present case it does not) the defendant is under a drastic and extreme burden of employing in the packaging of the goods, all reasonable means available to prevent confusion, and

that, where in defiance of such an obligation, the defendant, as here, has enhanced the likelihood of confusion by imitating the packages as well as the goods, the court should consider the entire transaction in reviewing the validity of the trade-mark registration which invests the plaintiff with rights to recover against a competitor who uses the trade-mark on *goods of the same descriptive properties*.

That Millsite has slavishly copied the contour, fittings, markings and general appearance of plaintiff's baits is evident from the finding of the Court of Appeals (R. 712) that: "Appellee's bait design is so similar to appellant's that it would be frivolous to allow appellee to escape on the ground of dissimilarity." A comparison of the baits themselves instantly confirms the Court's conclusions above expressed.

The question respecting the similarity of the enclosed goods is therefore inextricably interwoven with questions regarding Petitioner's rights under the Federal registration of its trade-mark applied to the boxes in which the baits are sold. It is only by considering the character of the goods enclosed that the trade-mark acquires meaning and significance. It is only when such a red edged box is used by a competitor for goods of the *same descriptive properties* that the likelihood of confusion becomes a legal issue, and it is only by comparing the goods themselves that this issue can be resolved.

This doctrine has become firmly established in a number of recent decisions in which it has been held that the test as to whether goods were of the same descriptive properties was conditioned upon the likelihood of *confusion* in the mind of the purchasing public. Thus, in *B. F. Goodrich Co. v. Hockmeyer*, (40 Fed. 2nd 99, 103), the Court of Customs and Patent Appeals said:

“ * * * keeping in mind the principles of equity as applied to the law of trade-marks, the words ‘same class’ and ‘same descriptive properties’ were intended to be given a limited *or* an extended meaning and application, according to whether or not the use of identical or similar trade-marks would be likely to *cause confusion* or mistake in the mind of the public or to deceive purchasers.”

The same Court, in *California Packing Corp. v. Tillman & Bendel*, (40 Fed. 2nd 108, 110) said:

“ * * * we think the great weight of authority is to the effect that ‘the dominant purpose of that part of the section here involved is the prevention of *confusion* and *deception*’, and that in determining the meaning of the phrase ‘merchandise of the same descriptive properties’, controlling consideration must be given to the question as to whether or not the goods are similar to the extent that confusion, deception, or mistake will result to the public or to purchasers * * * ”

We therefore submit that in considering Heddon’s rights under its Federal registration to a trade-mark in the form of a red border line impressed on the margins of its boxes, due regard must be taken of the fact that Millsite has used its red-edged boxes to enclose baits which it would be “frivolous” to attempt to distinguish from Heddon’s.

Nature of the Relief Sought.

Millsite is here charged with infringement by the use of red-edged boxes for the encloure of goods of the same descriptive properties as those to which the trade-mark has long been appropriated. The charge is not that Millsite has used a red border stripe as a trade-mark for *boxes*, but the offense consists in the use of the marked boxes as receptacles for baits. It is therefore proper for this Court to consider the entire transaction, in which due

regard for the contents is inextricably interwoven with consideration of the markings applied to the boxes themselves, and to grant relief appropriate to every phase of the entire transaction.

We freely concede that if Millsite's copying of the form, finish, and appearance of Heddon's River-Runt baits were presented as an independent issue of unfair competition, no Federal Court would have jurisdiction of the subject in a controversy between citizens of the same state, but when the infringement of a registered trade-mark consists in the enclosure of such goods within boxes imitating Heddon's trade-mark, so that the markings on the box become a spurious badge for the baits therewithin, a wholly different question is presented; and Federal equity having assumed jurisdiction on an adequate basis will provide a remedy commensurate with the nature of the offense in all of its aspects.

This Court in the well-known case of *Hurn v. Oursler*, (289 U. S. 238) laid down the rule that where a single transaction involving the use of literary material was charged to constitute *both* an infringement of copyright law and an act of unfair competition, the Court could grant appropriate relief under *either* aspect of the transaction, having assumed Federal jurisdiction on the basis of an adequate charge in the pleadings.

This decision has been the subject of wide-spread comment and discussion in numerous subsequent opinions, and is cited by the Court of Appeals for the 2nd circuit in the recent case of *Musher Fountain, Inc. v. Alba Trading Co., Inc.*, its decision of March 23, 1942 (53 P. Q. 82, 84) containing this language:

"In the situations dealt with in the foregoing deci-

sions substantially the same evidence determined the liability of the various defendants both under the applicable federal statutes and under the common law right to prevent unfair competition through a copying or simulation of complainant's compositions, trade marks or designs, to the injury of its business and good-will and the loss of its customers. The common law copyright, trade-mark or design was of the same matter covered by the registered copyright, trade-mark or patent and the only additional factor required in order to establish unfair competition was proof that goods having the appearance of defendant's had become associated in the public mind with products emanating from the complainant."

We submit that in the present case the rule announced in *Hurn-Oursler, supra*, has clear application in a peculiarly significant sense, in that the issue of Federal trade-mark infringement cannot be adjudicated by a mere inspection of the boxes themselves, since the statute requires that the Court should look into the interior of the boxes to determine whether the goods enclosed are of the same descriptive properties. The issue of trade-mark infringement alone, therefore, requires the Court to consider the nature of the goods as well as the enclosure, and equitable principles require that the Court, having of necessity examined the enclosed goods, should afford complete relief.

We submit that the petition sets forth adequate grounds for the granting of the writ, and for a complete review by this Court of the issues considered and decided by the Circuit Court of Appeals.

Respectfully submitted,

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